



## Senate

General Assembly

**File No. 384**

February Session, 2014

Substitute Senate Bill No. 326

*Senate, April 7, 2014*

The Committee on Human Services reported through SEN. SLOSSBERG of the 14th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

### **AN ACT CONCERNING FEDERAL MEDICAID WAIVERS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 17b-8 of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective July*  
3 *1, 2014*):

4 (a) The Commissioner of Social Services shall submit an application  
5 for a federal waiver of any assistance program requirements, except  
6 such application pertaining to routine operational issues, and any  
7 proposed amendment to the Medicaid state plan to make a change in  
8 program requirements that would have required a waiver were it not  
9 for the passage of the Patient Protection and Affordable Care Act, P.L.  
10 111-148, and the Health Care and Education Reconciliation Act of 2010,  
11 P.L. 111-152 to the joint standing committees of the General Assembly  
12 having cognizance of matters relating to human services and  
13 appropriations and the budgets of state agencies prior to the  
14 submission of such application or proposed amendment to the federal  
15 government. Not later than thirty days after the date of their receipt of

16 such application or proposed amendment, the joint standing  
17 committees shall: (1) Hold a public hearing on the waiver application,  
18 or (2) in the case of a proposed amendment to the Medicaid state plan,  
19 notify the Commissioner of Social Services whether or not said joint  
20 standing committees intend to hold a public hearing. Any notice to the  
21 commissioner indicating that the joint standing committees intend to  
22 hold a public hearing on a proposed amendment to the Medicaid state  
23 plan shall state the date on which the joint standing committees intend  
24 to hold such public hearing, which shall not be later than sixty days  
25 after the joint standing committees' receipt of the proposed  
26 amendment. At the conclusion of a public hearing held in accordance  
27 with the provisions of this section, the joint standing committees shall  
28 advise the commissioner of their approval, denial or modifications, if  
29 any, of the commissioner's waiver application or proposed  
30 amendment. If the joint standing committees advise the commissioner  
31 of their denial of the commissioner's waiver application or proposed  
32 amendment, the commissioner shall not submit the application for a  
33 federal waiver or proposed amendment to the federal government. If  
34 such committees do not concur, the committee chairpersons shall  
35 appoint a committee of conference which shall be composed of three  
36 members from each joint standing committee. At least one member  
37 appointed from each joint standing committee shall be a member of  
38 the minority party. The report of the committee of conference shall be  
39 made to each joint standing committee, which shall vote to accept or  
40 reject the report. The report of the committee of conference may not be  
41 amended. If a joint standing committee rejects the report of the  
42 committee of conference, that joint standing committee shall notify the  
43 commissioner of the rejection and the commissioner's waiver  
44 application or proposed amendment shall be deemed approved. If the  
45 joint standing committees accept the report, the committee having  
46 cognizance of matters relating to appropriations and the budgets of  
47 state agencies shall advise the commissioner of their approval, denial  
48 or modifications, if any, of the commissioner's waiver application or  
49 proposed amendment. If the joint standing committees do not so  
50 advise the commissioner during the thirty-day period, the waiver

51 application or proposed amendment shall be deemed approved. Any  
52 application for a federal waiver or proposed amendment submitted to  
53 the federal government by the commissioner, pursuant to this section,  
54 shall be in accordance with the approval or modifications, if any, of the  
55 joint standing committees of the General Assembly having cognizance  
56 of matters relating to human services and appropriations and the  
57 budgets of state agencies. The commissioner shall not institute a cost  
58 cap that differs from a cost cap in any approved waiver application  
59 unless such cost cap is authorized by statute or in a regulation  
60 approved by the standing legislative regulation review committee.

This act shall take effect as follows and shall amend the following sections:

|           |              |          |
|-----------|--------------|----------|
| Section 1 | July 1, 2014 | 17b-8(a) |
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***Statement of Legislative Commissioners:***

In section 1(a) "joint standing committee of the General Assembly having cognizance of matters relating to regulation review" was changed to "standing legislative regulation review committee" for consistency with other references to the committee in the general statutes.

***HS***      *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

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***OFA Fiscal Note***

***State Impact:*** None

***Municipal Impact:*** None

***Explanation***

The bill prohibits the Department of Social Services (DSS) from utilizing a cost cap under a Medicaid waiver that differs from the cost cap included in the approved waiver application. Although this provision may alter how DSS determines services on an individual basis, it does not alter the requirement that the overall Medicaid waiver must be cost neutral. Therefore, no fiscal impact is anticipated.

***The Out Years***

***State Impact:*** None

***Municipal Impact:*** None

**OLR Bill Analysis****sSB 326*****AN ACT CONCERNING FEDERAL MEDICAID WAIVERS.*****SUMMARY:**

This bill prohibits the Department of Social Services (DSS) from instituting a cost cap in any program governed by a federal waiver that differs from a cost cap specified in the approved waiver application, unless authorized in statute or regulation.

States use waivers to test new or existing ways to deliver and pay for health care services in Medicaid and the Children's Health Insurance Program (CHIP). When the federal Centers for Medicare and Medicaid Services (CMS) approves a waiver, states can (1) set somewhat higher income limits, (2) limit the number of people who can qualify ("waiver slots"), and (3) make other adjustments to regular Medicaid rules as approved in the waiver. Waivers are subject to legislative approval in Connecticut. They must also be approved by CMS and renewed periodically. They include cost caps as agreed upon by DSS and CMS. DSS currently has 10 approved waivers.

EFFECTIVE DATE: July 1, 2014

**COMMITTEE ACTION**

Human Services Committee

Joint Favorable Substitute

Yea 17 Nay 0 (03/20/2014)